

Jeffery and Michelle Culbert

Federal Trade Commission/Office of the Secretary, Room H-135 (Annex W)

Re: Business Opportunity Rule, R511993

600 Pennsylvania Avenue, NW

Washington, DC 20580

RE: Business Opportunity Rule, R511993

June 11, 2006

Dear Sir or Madam:

We are writing to you regarding the proposed Business Opportunity Rule R511993. We are independent Sunrider Distributors and we have some major concerns with how these new rules will affect our future. We understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," but some of the sections in the proposed rule will make it very difficult if not impossible for us to sell Sunrider® products.

One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new Distributors. Sunrider's Starter Pack costs only \$140, and is not a mandatory purchase in order to become an Independent Sunrider Distributor. People buy TVs, cars, and other items that cost much more than that and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the plan. We also think this seven-day waiting period is unnecessary because Sunrider already has a generous 60-day return policy for existing Distributors that is applicable to all products, including the Sunrider® Starter Pack. Sunrider also has a 90% buyback policy for former Distributors applicable to all products purchased within the last twelve months. Another problem with the seven-day waiting period is the administrative burden of keeping very detailed records when we first speak to someone about Sunrider, and then having to send numerous reports to Sunrider headquarters.

The proposed rule also calls for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that we would have to disclose these lawsuits unless Sunrider is found guilty. Otherwise, Sunrider and ourselves will be put at an unfair advantage even though Sunrider has done **nothing** wrong.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. In addition, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Sunrider headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to sign

up as a salesperson: “If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers.” People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met.

We began our Sunrider business about a year ago. Sunrider is our plan for our families future, it is our path to financial freedom. We heard about the company through a friend of ours, started using the product and then found out about the business opportunity, we didn’t hesitate and were hooked from that point on. Sunrider is a fabulous opportunity that allows us to help other people gain health and wealth. We want to continue sharing this joy with the people we meet and are fearful that these proposed laws will end our ability to do that.

We definitely appreciate and respect the work of the FTC and your strivings to protect consumers, but we must be sure that these laws also protect the distributors. There are unintended consequences to these new rules and we believe there are less burdensome alternatives available in achieving the intended goal.

Thank you for your time in considering our comments.

Sincerely,